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1971 ANNUAL REPORT

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AGT DATA SYSTEMS LIMITED

74 Victoria Street, Toronto 210, Ont. 362-7681

November 23, 1971


Mr. I. Carman
The Globe and Mail
140 King Street West
Toronto 110, Ontario

Dear Mr. Carman

Attached for your interest is the Annual Report for AGT Data Systems Limited for the fiscal year ended June 30, 1971. The Annual Shareholders' General Meeting is being held in Confederation Room No. 3 of the Royal York Hotel, Toronto, on December 9, 1971 at 3:00 p.m.

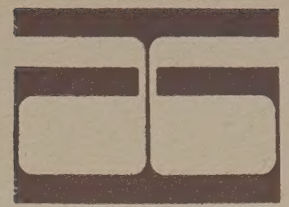
Yours very truly

H.R. Garland/mc
Secretary-Treasurer
Attach.



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AGT DATA SYSTEMS LIMITED

OFFICERS

Gerald A. Wanless
President

Fredrick T. White
Executive Vice-President

Harry G. Porteous
Vice-President

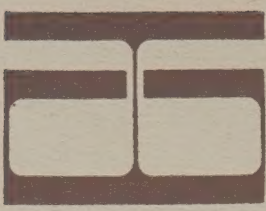
H. Roger Garland
Secretary-Treasurer

DIRECTORS

Ronald C. Carroll
Harvey S. Gellman
Helmut Lerchs
Robert A. McDougall
George H. Montague
Gerald A. Wanless
Fredrick T. White

HEAD OFFICE

74 Victoria Street,
Toronto 210



A REPORT FROM THE PRESIDENT

During the past year, AGT recorded revenues of \$5,008,000, an increase of 65 percent over 1970. This considerable growth was achieved in an atmosphere of uncertainty surrounding the economy in general and the data processing industry in particular. Our consulting business maintained its revenue level of the previous year while our manufacturing and data processing divisions attained significant revenue increases. In spite of this growth, however, AGT incurred a loss of \$889,000, down substantially from the previous year but less of an improvement than we had expected.

Last year we began a critical evaluation of each of our operating divisions. This resulted in the sale of one division and the cancellation by mutual consent of our marketing agreement with Systems Dimensions Limited. The overall staff reduction since January, 1971, in the remaining six divisions was 20 percent.

The Data Security Services Division did not provide positive evidence of future success and, as a result, the division was sold. The SDL Computer Services Division, which provided marketing and servicing in Montreal and Toronto for Systems Dimensions Limited, was discontinued in April of this year. Although significant marketing success was achieved, the financial arrangement with SDL and the high costs involved in maintaining a satisfactory marketing activity in these areas resulted in a continuing loss. The termination arrangements provide AGT with a continuing commission on a reducing scale for 12 months.

The remaining divisions achieved varying degrees of success during the year. Ruscom Logics Limited, our manufacturing subsidiary, recorded a profit for the year on revenues which were double those of the prior year. A further doubling in revenue and improved profit levels are anticipated in the current year as a result of the growth in its general business base and expansion of its product line into the United States.

Our consulting division, DCF Systems, earned greater profits while increasing revenues. Since early 1971, however, DCF has experienced a decline in revenues because of the completion of major assignments and the general decline in demand for consulting services. We anticipate continued profitability in DCF Systems over the next year but at lower on-going revenue and profit levels than has been the case over the past two years.

ProConsul Limited, which provides computer-based services in the engineering and surveying areas operated at a loss during last year. However, it has been operating at a profitable level during the past quarter with expectations that this situation will continue.

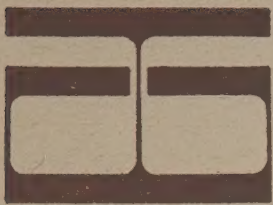
Keydata Canada, offering commercial time-sharing services, has established a firm business base during the past year and now has 25 customers installed or on order in Montreal and Toronto. However, marketing and operating costs have proven to be higher than forecast and the division is still operating at a loss. We have recently reached agreement in principle with the Keydata Corporation for a revised operating arrangement which will substantially improve the profit potential of Keydata Canada through a more favourable discount structure. The market for this type of service in Canada is substantial and we continue to regard this division as a major ingredient in AGT's formula for future success.

The Data Services Division, which offers a range of proprietary products and services, is also operating at a loss. However, losses have been substantially reduced in recent months and we expect that a profitable level will be reached early in 1972.

Two new arrangements with major U.S. companies afford additional potential for AGT, both in Canada and the U.S. Effective September 1, 1971, AGT acquired the rights to the software product line of Applied Data Research in Princeton, New Jersey. We believe that Applied Data Research, with almost 2,000 customers, has one of the most successful and widely used proprietary software product lines in the world. An agreement has also been signed with the McDonnell Douglas Automation Company granting them the rights to certain AGT products on a royalty basis for the U.S. market. McDonnell Douglas, with current computer service sales in excess of \$100 million annually and a nation-wide computer network consisting of 105 computers, should provide excellent coverage for AGT products in the United States.

We continue to view the future with enthusiasm and optimism while at the same time clearly recognizing the problems yet to be resolved. The coming year will see solutions to most of these problems allowing AGT to capitalize on the opportunities which will emerge in the years ahead.

G. A. Wanless
President



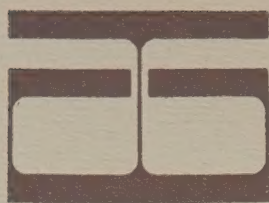
AGT DATA SYSTEMS LIMITED
AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED JUNE 30, 1971

(with 1970 figures for comparison)

	1971	1970
REVENUE:		
Consulting fees.....	\$1,858,131	\$1,672,599
Data processing revenues (Note 10).....	2,886,402	1,221,955
Manufacturing sales.....	263,361	133,263
Total revenue.....	<u>5,007,894</u>	<u>3,027,817</u>
EXPENSES:		
Salaries and employee benefits.....	3,178,762	3,279,350
General and administrative expenses.....	2,709,585	2,053,190
Total expenses.....	<u>5,888,347</u>	<u>5,332,540</u>
LOSS BEFORE OTHER INCOME.....	<u>880,453</u>	<u>2,304,723</u>
OTHER INCOME (CHARGES):		
Interest income.....	13,403	80,783
Loss on disposal of fixed assets.....	(22,184)	(4,045)
	<u>(8,781)</u>	<u>76,738</u>
LOSS BEFORE INCOME TAXES.....	<u>889,234</u>	<u>2,227,985</u>
RECOVERY OF (PROVISION FOR) INCOME TAXES (Note 4):		
Current.....	—	4,683
Deferred.....	(12,885)	(13,766)
	<u>(12,885)</u>	<u>(9,083)</u>
LOSS BEFORE EXTRAORDINARY ITEM.....	902,119	2,237,068
EXTRAORDINARY ITEM:		
Adjustment of deferred income taxes (Note 4).....	(12,885)	(20,900)
LOSS BEFORE MINORITY INTEREST.....	889,234	2,216,168
MINORITY INTEREST IN INCOME (LOSS).....	263	(28,553)
LOSS FOR THE YEAR.....	<u>\$ 889,497</u>	<u>\$2,187,615</u>
 LOSS PER SHARE BEFORE EXTRAORDINARY ITEM.....	 \$.67	 \$1.80
LOSS PER SHARE.....	\$.66	\$1.76

The accompanying notes on pages 7 and 8 are an integral part of the financial statements.



AGT DATA SYSTEMS LIMITED

(Under the Canada Corporations Act)

AND ITS SUBSIDIARIES

CONSOLIDATED BALANCE SHEET AS AT JUNE 30, 1971

(with 1970 figures for comparison)

ASSETS

	1971	1970
CURRENT ASSETS:		
Cash.....	\$ 159,248	\$ 157,973
Short-term investments.....	—	698,832
Accounts receivable:		
Trade.....	764,471	824,684
Other.....	59,811	41,783
Inventories—at the lower of cost or net realizable value.....	102,101	37,794
Income taxes recoverable.....	—	8,630
Prepaid expenses.....	12,434	8,254
Total current assets.....	<u>1,098,065</u>	<u>1,777,950</u>
LONG-TERM RECEIVABLE.....	16,682	27,218
FIXED ASSETS—at cost (Note 3).....	518,020	628,946
Less accumulated depreciation and amortization.....	164,706	106,226
Net fixed assets.....	<u>353,314</u>	<u>522,720</u>
OTHER ASSETS (Note 2):		
Franchise fees.....	249,000	280,000
Deferred development costs.....	122,212	115,084
Total other assets.....	<u>371,212</u>	<u>395,084</u>
TOTAL.....	<u>\$1,839,273</u>	<u>\$2,722,972</u>

Approved by the Board:

Gerald A. Wanless, Director

Fredrick T. White, Director

The accompanying notes on pages 7 and 8 are an integral part of the financial statements.

LIABILITIES AND SHAREHOLDERS' EQUITY

	1971	1970
CURRENT LIABILITIES:		
Accounts payable and accrued charges	\$ 299,425	\$ 546,689
Employee deductions	67,022	101,107
Total current liabilities	<u>366,447</u>	<u>647,796</u>
MINORITY INTEREST IN FOREIGN SUBSIDIARY	<u>9,160</u>	<u>8,897</u>
SHAREHOLDERS' EQUITY:		
Capital stock (Notes 1, 5, 6 and 7):		
Authorized:		
2,000,000 shares without nominal or par value		
Issued and fully paid:		
1,401,492 shares	6,324,182	6,037,298
Contributed surplus of subsidiary (no transactions during the year)	300,000	300,000
Deficit	(5,160,516)	(4,271,019)
Net shareholders' equity	<u>1,463,666</u>	<u>2,066,279</u>
TOTAL	<u><u>\$1,839,273</u></u>	<u><u>\$2,722,972</u></u>

AUDITORS' REPORT

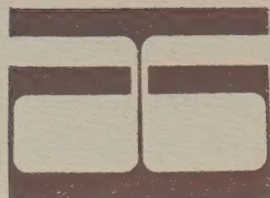
To the Shareholders of AGT Data Systems Limited:

We have examined the consolidated balance sheet of AGT Data Systems Limited and its subsidiaries as at June 30, 1971 and the consolidated statements of operations, deficit and source and application of funds for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these consolidated financial statements present fairly the financial position of the companies as at June 30, 1971 and the results of their operations and the source and application of their funds for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Toronto, Ontario,
August 16, 1971.

DELOITTE, HASKINS & SELLS
Chartered Accountants.



AGT DATA SYSTEMS LIMITED

AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS

FOR THE YEAR ENDED JUNE 30, 1971

(with 1970 figures for comparison)

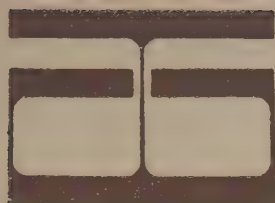
	1971	1970
SOURCE OF FUNDS:		
Issue of common stock	\$ 286,884	\$3,257,130
Minority interest in foreign subsidiary	—	37,450
Proceeds on disposal of fixed assets	86,702	16,645
Reduction in long-term receivable	10,536	9,812
Total funds provided	<u>384,122</u>	<u>3,321,037</u>
APPLICATION OF FUNDS:		
Funds applied to operations	665,731	2,070,808
Excess of cost of shares of subsidiary over underlying net assets at date of acquisition	—	41,296
Additions to fixed assets	19,728	346,340
Deferred development costs	97,199	106,772
Franchise costs	—	292,000
Total funds applied	<u>782,658</u>	<u>2,857,216</u>
INCREASE (DECREASE) IN WORKING CAPITAL FOR THE YEAR	(398,536)	463,821
WORKING CAPITAL AT BEGINNING OF THE YEAR	1,130,154	666,333
WORKING CAPITAL AT END OF THE YEAR	<u>\$ 731,618</u>	<u>\$1,130,154</u>

CONSOLIDATED STATEMENT OF DEFICIT FOR THE YEAR ENDED JUNE 30, 1971

(with 1970 figures for comparison)

	1971	1970
DEFICIT AT BEGINNING OF THE YEAR	\$4,271,019	\$ 560,762
ADD:		
Loss for the year	889,497	2,187,615
Write-off of excess of cost of shares of subsidiaries over underlying net assets at date of acquisition	—	1,522,642
DEFICIT AT END OF THE YEAR	<u>\$5,160,516</u>	<u>\$4,271,019</u>

The accompanying notes on pages 7 and 8 are an integral part of the financial statements.



AGT DATA SYSTEMS LIMITED

AND ITS SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 1971

1. PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include the accounts of AGT Data Systems Limited and all of its subsidiary companies.

The acquisitions of certain of the subsidiaries have been accounted for on the pooling-of-interests basis and, accordingly, the value attributed to issued capital stock, in the amount of \$6,324,182, is net of a pooling adjustment of \$5,521,796 which reflects the stated value of the issued capital stock of such subsidiaries at date of acquisition.

The accounts of the remainder of the subsidiaries have been accounted for on the purchase-acquisition basis.

For the purposes of consolidation, the accounts of the foreign subsidiaries have been translated into Canadian dollars at historical rates, with the exception that current assets and current liabilities have been translated at the rate of exchange prevailing at June 30, 1971.

2. DEFERRED DEVELOPMENT COSTS AND FRANCHISE FEES

It is the company's policy to defer costs related to new product development where such projects have provided substantial assurance of future revenue generation. These deferred costs are amortized over the estimated useful life of the project, or two years, whichever is less, commencing in the first month of production. Research and development costs of a general nature are expensed in the period incurred. Expenses for the current year include amortization in the amount of \$90,071 (1970—\$67,131).

The company holds franchise rights to certain processes and software packages at a total cost of \$292,000. These costs are amortized over the estimated useful life in each case. Expenses for the current year include amortization in the amount of \$31,000 (1970—\$12,000).

3. FIXED ASSETS

The major categories of fixed assets and accumulated depreciation and amortization at June 30, 1971 are as follows:

	Amount	Rates
Furniture, fixtures and equipment.....	\$325,734	10% straight-line
Leasehold improvements...	192,286	Term of lease—
	518,020	straight-line
Less accumulated depreciation and amortization.....	164,706	
	<u>\$353,314</u>	

Expenses for the current year include depreciation and amortization in the amount of \$80,248 (1970—\$69,318).

4. DEFERRED INCOME TAXES

The company and its subsidiaries have adopted the practice of recording deferred income taxes, with the exception that amounts so recorded do not reflect losses available to be carried forward. At June 30, 1971, there were losses of approximately \$3,378,000 available for application against future income. These losses do not begin to expire until 1974.

Income taxes otherwise payable by subsidiaries for the current year, in the amount of \$12,885, have been eliminated by the application of prior years' losses carried forward. This elimination is reflected as an extraordinary item in the consolidated statement of loss.

5. CAPITAL STOCK

Changes in the company's capital stock are summarized as follows:

	Shares	Amount
Balance at June 30, 1970.....	1,339,587	\$6,037,298
Issued for cash.....	61,905	286,884
Balance at June 30, 1971.....	<u>1,401,492</u>	<u>\$6,324,182</u>

6. SHARE OPTIONS

At June 30, 1971, the company has reserved 60,024 and 78,186 shares under 1968 Share Option Plan for Employees and 1969 Share Option Plan for Employees, respectively. Pursuant to these Plans, the company may grant options to full-time senior officers and employees, enabling them to purchase shares during the period ending March 31, 1974, at a price per share, under the 1968 Plan, no less than the greater of \$7 or 90% of the market price (as determined under the 1968 Plan) on the day of grant of the option and, under the 1969 Plan, no less than the greater of \$15 or 90% of the market price (as determined under the 1969 Plan) on the day of grant of the option. The options may be exercised by the optionee in equal amounts in each year, over the term of the plan if the option was granted prior to June 25, 1970, and over the term of the option if granted after that date, both on a cumulative basis.

At June 30, 1971, the company has reserved 100,000 shares under the 1970 Incentive Share Option Plan for Managers. Pursuant to this Plan, the company may grant options to full-time

6. SHARE OPTIONS (continued)

senior officers and employees enabling them to purchase 15,000 of such shares to March 31, 1974 and 85,000 of such shares to August 31, 1974, at a price per share no less than the greater of \$7 or 90% of the market price on the day of grant of the option.

The share options outstanding under the Plans are summarized below:

	Number of Shares
1968 Plan:	
Authorized	75,000
Granted at \$7 per share (excluding cancelled options for 31,188 shares)	51,472
Exercised for \$104,832 (1971—no options exercised)	14,976
Outstanding at June 30, 1971	36,496
1969 Plan:	
Authorized	80,000
Granted at \$15 per share (excluding cancelled options for 56,360 shares)	42,060
Exercised for \$27,210 (1971—no options exercised)	1,814
Outstanding at June 30, 1971	40,246
1970 Plan:	
Authorized	100,000
Granted at \$7 per share (excluding cancelled options for 5,960 shares)	8,775
Exercised	Nil
Outstanding at June 30, 1971	8,775

At June 30, 1971, 50,000 shares were reserved under the 1970 Employee Payroll Investment Plan. Under the terms of this Plan, employees may utilize up to 10% of their remuneration to purchase shares at a price which is calculated on the basis of 85% of the market price (as determined under the Plan) during each calendar quarter. As at June 30, 1971, 13,202 shares have been issued under this Plan, of which 11,905 were issued during the current year.

Under the terms of an agreement dated July 23, 1969, the Bank of Montreal holds an option, which expires on August 13, 1973, to purchase 50,000 shares, at the greater of \$15 or 90% of the market price per share.

The company has reserved 90,000 shares to cover its obligations under an agreement dated November 19, 1969. Pursuant to the agreement, employee-shareholders having a minority interest in a subsidiary may individually exchange their holdings in the subsidiary, in whole or in part, for up to 90,000 shares of the company on a formulated exchange rate basis on December 1, 1972, 1973, or 1974. The company, on or after December 1, 1974, may also require such an exchange on the same basis. The company has reached agreement in principle with these shareholders, to terminate the November 19, 1969 agreement, and to acquire their minority interest in exchange for 15,000 shares of the company.

7. SHARES HELD IN ESCROW

At June 30, 1971, 724,600 shares of the company are held in escrow under the terms of eight escrow agreements.

8. REMUNERATION OF DIRECTORS AND OFFICERS

The ten directors did not receive any remuneration, as directors, for the years 1971 and 1970. The aggregate remuneration for the eight officers, six of whom were also directors, was \$231,184 (1970—\$231,844). Of this amount, \$7,945 was paid by a subsidiary, DCF Systems Limited (1970—\$36,058).

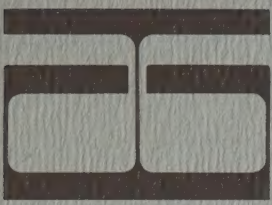
9. LEASE COMMITMENTS

Under lease obligations for office premises, the company and its subsidiaries are committed to minimum annual rentals (exclusive of taxes, insurance, and other occupancy charges) as follows:

1972	\$273,861
1973	233,979
1974	158,738
1975	43,693
1976	16,972

10. TERMINATION OF LICENSING AGREEMENT

Effective May 1, 1971, the company terminated its licensing agreement with Systems Dimensions Limited. The termination arrangements provide that the company will continue to earn commissions for a period subsequent to May 1. Data processing revenues include customer billed revenues of \$1,040,000 for the period up to April 30, and commissions earned of \$42,000 for the months of May and June.



AGT DATA SYSTEMS LIMITED

*... providing data
processing services to industry
and government.*

Design and development of generalized software products and computer services.

Consulting services including the analysis, design and implementation of computer-based systems.

On-line invoicing and accounting services for the small and medium size business through terminals installed in their offices.

Engineering and computer services to land surveyors, consulting engineers and municipal governments.

Design, manufacture and installation of specialized systems and digital devices for science and industry.

... whose customers include:

Abitibi Paper Company Limited • AGF Management Limited • Atomic Energy of Canada Limited • Bank of Montreal • Bell Canada • Black & McDonald Limited • Bongard, Leslie & Company Limited • The Brown Brothers Limited • Canada Colors and Chemicals Limited • Canadian Broadcasting Corporation • Canadian Overseas Telecommunications Corporation • Coles Book Stores Limited • Confederation Life Insurance Company • Dominion Bridge Company Limited • Dominion Glass Company Limited • Domtar Limited • Dorfin Paper Products • Dover Corporation (Canada) Limited • Electric Reduction Company of Canada Limited • Gidon Industries Limited • Government of Canada • Greenshields Incorporated • Hydro Mississauga • Hydro Quebec • IAC Limited • Knappe and Vogt of Canada Limited • Leader Manufacturing Corporation • Liquid Carbonic Canadian Corporation • Manufacturers Life Insurance Company • McDonnell Douglas Automation Company • McMaster University • The Mennen Company Limited • Metropolitan Toronto Board of Education • Metropolitan Toronto Roads Department • Montreal Trust Company • Moto-Rite Limited • Ontario Hydro • Ontario Teachers' Superannuation Commission • Pastene Company Limited • Philips Electronics Industries Limited • Pretty Polly (Canada) Limited • Province of New Brunswick • Province of Nova Scotia • Province of Ontario • Reed Shaw Osler Limited • Rolph-Clark-Stone Limited • Royal Ontario Museum • Salt Lake County, Utah • Sanfax Industries Limited • Schick (Canada) Limited • Simon Fraser University • The Robert Simpson Co. Limited • State of Idaho • State of Utah • Statistics Canada • Steinberg's Limited • Toronto Star Limited • University of Montreal • University of Toronto • University of Western Ontario • Washington Education Association • Wix Corporation Limited • Wood Gundy Securities Limited • York University •

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AGT DATA SYSTEMS LIMITED



AGT DATA SYSTEMS LIMITED

TORONTO (HEAD OFFICE)
74 Victoria Street, Toronto 210, Ontario

MONTREAL
555 Dorchester Blvd. West, Montreal 128, Quebec

SEATTLE
15 Grady Way, Suite 309, Renton, Washington 98055

INTERIM REPORT

SIX MONTHS ENDED DECEMBER 31, 1971

TO OUR SHAREHOLDERS

During the first six months of the fiscal year AGT's operating divisions experienced somewhat mixed results, both in terms of profitability and growth.

As discussed in our Annual Report, our consulting division, DCF Systems, continued to experience declining revenues and reduced profits. We expect this decline to level off during the next six months, however, and if the economic recovery continues, we should experience a stronger demand in the fall.

A similar reduction in revenues has been experienced by our U.S. subsidiary, AGT Management Systems, Inc. We are currently assessing our position in the U.S. market and will be taking the steps necessary to improve this situation.

The success of the Data Services and Keydata Canada divisions has highlighted the steady revenue growth and improved profitability of the remaining divisions. They have both achieved substantial growth during the period and in each case revenue has increased by more than 75 percent. Together, their operating results have improved by \$320,000 in the six month period.

In spite of this improvement, our major continuing operating loss is derived from the Keydata Canada division. Market acceptance of the Keydata service has been excellent and in our opinion this division warrants further investment. As a result, we are currently exploring alternative methods of financing Keydata's future growth.

In comparing the six months' results with last year, the most significant factor is the decline in revenue resulting from the termination of the licensing agreement with Systems Dimensions Limited effective May 1, 1971. Included in the 1970 revenue of \$2,494,000 was \$736,000 from activities connected with the SDL division. In 1971, a commission from SDL of \$86,000 which resulted from the termination arrangement with SDL is included in the six month revenue of \$1,632,000.

The disappointing results in the United States and in our consulting activities, when combined with the discontinuance of revenue from the SDL-related activities, tend to detract from the 59 percent growth in revenue achieved by our four product divisions, Ruscom Logics, ProConsul, Keydata Canada and Data Services, and their corresponding improvement in profitability.

It appears that most sectors of the business community are recovering from the economic uncertainty of the past 24 months although some more slowly than others. With the exception of the two areas mentioned previously, the level of our business has been steadily improving. If this trend continues, we can look forward to further improvements in the last six months of our fiscal year.

G. A. Wanless
President

AGT DATA SYSTEMS LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED RESULTS

Six Months Ended December 31, 1971 and 1970

CONSOLIDATED STATEMENT OF LOSS AND DEFICIT (unaudited)

	1971	1970
Revenue	<u>\$1,631,765</u>	<u>\$2,493,702</u>
Expenses	<u>1,995,112</u>	<u>2,960,912</u>
Operating loss	363,347	467,210
Other Income	<u>1,545</u>	<u>9,721</u>
Net loss for the period	<u>361,802</u>	<u>457,489</u>
Deficit at beginning of the period	5,160,516	4,271,019
Deficit at end of the period	<u><u>\$5,522,318</u></u>	<u><u>\$4,728,508</u></u>

CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS (unaudited)

	1971	1970
Source of funds:		
Issue of common stock	\$ 6,545	\$ 19,585
Reduction of long-term receivables	5,268	5,268
Proceeds from disposal of fixed assets	<u>1,280</u>	<u>—</u>
Total funds provided	<u>13,093</u>	<u>24,853</u>
Application of funds:		
Funds applied to operations	370,962	457,489
Add back depreciation and amortization	<u>71,200</u>	<u>142,906</u>
Net funds applied to operations	299,762	314,583
Additions to fixed assets	10,002	5,501
Deferred development costs	<u>50,944</u>	<u>147,333</u>
Total funds applied	<u>360,708</u>	<u>467,417</u>
Increase (decrease) in working capital for the period	(347,615)	(442,564)
Working capital at beginning of the period	<u>731,618</u>	<u>1,130,154</u>
Working capital at end of the period	<u><u>\$ 384,003</u></u>	<u><u>\$ 687,590</u></u>